

**Minutes of the
Tobacco Education and Research Oversight Committee (TEROC)**

Hyatt Regency Sacramento
Big Sur Conference Room
1209 L Street
Sacramento, CA 95814

Alternate Location:
University of California, San Francisco
Laurel Heights Campus
Gay Becker Conference Room
3333 California Street, Suite 340
San Francisco, CA 94118

Wednesday, May 28, 2014

MEMBERS PRESENT:

Dr. Lourdes Baezconde-Garbanati, Ms. Vicki Bauman, Dr. Wendel Brunner, Dr. Lawrence Green, Dr. Alan Henderson, Dr. Pamela Ling (teleconferencing from San Francisco location), Dr. Michael Ong (Chair), Mr. Myron Dean Quon, Dr. Dorothy Rice (teleconferencing from San Francisco location), Dr. Shu-Hong Zhu, Ms. Pat S. Etem

MEMBERS ABSENT:

Ms. Denise Adams-Simms

OTHERS IN ATTENDANCE:

Dr. Bart Aoki, Tobacco-Related Disease Research Program (TRDRP)/ University of California, Office of the President (UCOP)
John Bacigalupi, Department of Finance (DOF)
Dr. David Barker, California State University, Sacramento (CSUS)
Lynn Baskett, Consultant/TEROC Master Plan Consultant
Bob Curry, Local Lead Agencies (LLA)/Project Director's Association (PDA)
Narinder Dhaliwal, California Clean Air Program (CCAP)
Leslie Ferreira, California Tobacco Control Program (CTCP)
Gretta Foss-Holland, CTCP
Margarita Garcia, California Department of Education (CDE)/Coordinated School Health and Safety Office (CSHSO)
Dr. Phillip Gardiner, TRDRP/UCOP
Tim Gibbs, American Cancer Society (ACS)/Cancer Action Network (CAN)
Leila Gholamrezaei-Eha, LLA/PDA
Linda Gutierrez, CTCP
Tonia Hagaman, CTCP
Tom Herman, CDE/CSHSO
Rich Heintz, LLA/PDA
Liz Hendrix, CTCP

Dr. Norval Hickman, TRDRP/UCOP
Dr. Jonathan Isler, CTCP
Jerry Katsumata, CTCP
Richard Kwong, CTCP
John Lagomarsino, CDE
Vanessa Marvin, American Lung Association (ALA)
Carol McGruder, African American Tobacco Control Leadership Council
(AATCLC)
Jamie Morgan, American Heart Association (ACA)
Valerie Quinn, CTCP
April Roeseler, CTCP
Nadine Roh, CTCP
Patti Seastrom, CTCP
Alexandria Simpson, CTCP
Derek Smith, LLA/PDA
Dr. Kurt Snipes, California Department of Public Health (CDPH)
Stacy Song, ALA
Sandra Soria, CTCP

1. WELCOME, INTRODUCTION, AND OPENING COMMENTS

TEROC Chair, Dr. Ong, called the meeting to order at 9:30 a.m. TEROC members and guests introduced themselves.

2. APPROVAL OF MINUTES, CORRESPONDENCE, AND ANNOUNCEMENTS

Approval of the February 12, 2014 and February 13, 2014 meeting minutes moved by Ms. Etem, seconded by Dr. Henderson; motion passed unanimously.

The chair reviewed TEROC-related correspondence:

Outgoing Correspondence:

- TEROC letter to the Honorable Mitch O’Farrell, of the Los Angeles City Council, supporting a proposed ordinance that would prohibit the use of electronic cigarettes (e-cigarettes) anywhere smoking is currently prohibited in the City of Los Angeles.
- TEROC letter to Supervisor David Campos, of the San Francisco Board of Supervisors, supporting a proposed ordinance that would regulate e-cigarette sales by requiring vendors to obtain a Tobacco Retailer’s License from the City, disallow sale of the product where cigarettes cannot be sold, and disallow the use of e-cigarettes wherever cigarettes cannot presently be smoked.
- TEROC form letter posted on the TEROC Website to “Whom it May Concern” supporting the regulation of e-cigarette sales by requiring

vendors to obtain a tobacco retailer's license and prohibiting the sale of the product where cigarettes cannot be sold.

- TEROC form letter posted on the TEROC Website to "Whom it May Concern" supporting the regulation of e-cigarettes by prohibiting the use of e-cigarettes wherever tobacco products cannot presently be used.
- TEROC Letter to Dr. Ronald Chapman, Director and State Health Officer, California Department of Public Health (CDPH) urging the Department to take action to protect Californian's health from the harmful effects of e-cigarettes.
- TEROC letter to Matt Paulin of the California Department of Finance (DOF) expressing concern and providing recommendations regarding funding allocations in the Cigarette and Tobacco Products Surtax Fund in the 2014-15 Governor's Budget.
- TEROC letter to the Honorable Shirley N. Weber, Chair of the Assembly Committee on Budget – Subcommittee 1 Health and Human Services, expressing concern and providing recommendations regarding funding allocations in the Cigarette and Tobacco Products Surtax Fund in the 2014-15 Governors' Budget.
- TEROC letter to the Honorable Ellen Corbett, Chair of the Senate Budget and Fiscal Review Committee – Subcommittee 3 on Health and Human Services, expressing concern and providing recommendations regarding funding allocations in the Cigarette and Tobacco Products Surtax Fund in the 2014-15 Governors' Budget.
- TEROC certificate of appreciation awarded to Dr. Phillip Gardiner of the Tobacco-Related Disease Research Program (TRDRP).

Incoming Correspondence:

- Letter from Dr. Ronald Chapman, Director and State Health Officer, CDPH to TEROC responding to TEROC's concerns regarding e-cigarettes.
- Letter from Elizabeth A. Klonoff, Ph.D., ABPP of San Diego State University (SDSU), to Dr. Ronald Chapman, Director and State Health Officer, CDPH, stating her concerns regarding the end of CTCP's Stop Tobacco Access to Kids Enforcement (STAKE) Act Contract with the San Diego State University Research Foundation (SDSRF).
- E-Mail from Brian Davis, Tobacco Control Coordinator at Tri-City Health in San Jose, CA to TEROC requesting support of local

legislation which would prohibit tobacco company representatives from offering free or nominal cost products (including e-cigarettes), coupons, and similar offers at bars and other areas accessible to the public.

TEROC discussed supporting legislation and regulation banning free sampling of e-cigarettes and other tobacco products to protect the public, particularly our youth, from experimenting and becoming dependent on these dangerous, addictive tobacco products. Further, TEROC discussed urging legislation and regulation that will prohibit distribution of free, nominal, or low-cost tobacco products, and redemption of coupons and similar promotional offers that reduce the cost of tobacco products at bars and all other areas accessible to the public at all times.

TEROC expressed concerns regarding the harmful nature of tobacco products, such as e-cigarettes containing nicotine, cigars, little cigars, and hookah and pipe tobacco, which have no sampling restrictions. Particular concerns included the ease at which these products can be obtained, including online access, and sampling by youth and young adults and the potential risk that e-cigarettes and their liquid solutions (e-liquids) may serve as a gateway to nicotine addiction and further use of tobacco products by youth and young adults.

Action Item

Dr. Green and Dr. Baezconde-Garbanati moved TEROC write a general letter, ("To Whom It May Concern"), supporting any legislation or regulation banning free sampling of e-cigarettes and other tobacco products to protect the public, particularly youth, from experimenting and becoming dependent on dangerous, addictive tobacco products. Further, TEROC discussed urging legislation and regulation that will prohibit distribution of free, nominal, or low-cost tobacco products, and redemption of coupons and similar promotional offers that reduce the cost of tobacco products at bars and all other areas accessible to the public at all times.

Dr. Ling seconded the motion; motion passed unanimously.

3. ENVIRONMENTAL UPDATE

TEROC discussed tobacco control issues in the media, including the following news articles and reports:

- Healthy Stores for a Healthy Community (HSHC) Launch & News Coverage
- Obama Administration Takes Critical Step to Help Smokers Quit and Save Lives through the ACA
<http://www.dol.gov/ebsa/faqs/faq-aca19.html>.

- <http://www.lung.org/press-room/press-releases/smoking-cessation/administration-defines-cessation-benefit.html>
http://www.tobaccofreekids.org/press_releases/post/2014_05_02_obama
- The Mental Health Parity and Addiction Equity Act (MHPAEA) and the Affordable Care Act (ACA): Implications for Coverage of Tobacco Cessation Benefits
http://www.publichealthlawcenter.org/sites/default/files/resources/tclc-fs-mhpaea-&-aca-2014_0.pdf
 - State Medicaid coverage for tobacco cessation treatments and barriers to coverage — United States, 2008–2014
<http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6312a3.htm>
 - California cities support local e-cigarette ordinances
<http://www.latimes.com/local/la-me-e-cigarettes-20140225,0,5444147,print.story>
 - Top Los Angeles County public health official announces he's retiring
<http://www.latimes.com/local/lanow/la-me-ln-county-public-health-director-20140327-story.html#axzz2xCIfZ4ii>
 - Food and Drug Administration (FDA) proposes to extend its tobacco authority to additional tobacco products, including e-cigarettes
<http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm394667.htm>
<https://s3.amazonaws.com/public-inspection.federalregister.gov/2014-09491.pdf>
 - New Legacy report shows exploding e-cigarette use among kids; ties to out-of-control advertising
<http://tobacco.ucsf.edu/new-legacy-report-shows-exploding-e-cigarette-use-among-kids-ties-out-control-advertising>
 - Thirdhand smoke (THS) poses health danger, especially to children, scientists say
<http://www.sacbee.com/2014/03/18/6248726/thirdhand-smoke-poses-health-danger.html>
 - Democratic leaders urge State Attorneys General to bring e-cigarettes under tobacco Master Settlement Agreement (MSA)
<http://democrats.energycommerce.house.gov/index.php?q=news/democratic-leaders-urge-state-attorneys-general-to-bring-e-cigarettes-under-tobacco-master-sett>
 - Cigarette tax evasion declines, says state board
<http://blogs.sacbee.com/capitolalertlatest/2014/05/cigarette-tax-evasion-declines-says-state-board.html>
 - Notes from the Field: calls to poison centers for exposures to electronic cigarettes — United States, September 2010–February 2014
<http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6313a4.htm>
 - E-Cigarette advertising expenditures in the United States, 2011-2012

<http://www.ajpmonline.org/article/S0749-3797%2813%2900618-1/abstract>

Dr. Green suggested the environmental updates link to the original study, rather than a news source.

Dr. Gardiner recommended TEROC write a letter to the US Department of Health and Human Services (DHHS) and Food and Drug Administration (FDA) regarding the proposed rules relating to Docket No. FDA-2014-N-1089, and RIN 0910-AG38 before the July 7, 2014 deadline.

TEROC members decided to defer the discussion for later in the day or at the subsequent Master Plan meeting on Thursday, May 29, 2014.

4. LOCAL LEAD AGENCY-PROJECT DIRECTOR'S ASSOCIATION REPORT

Bob Curry, Leila Gholamrezaei-Eha, Rich Heintz, and Derek Smith presented on behalf of the Local Lead Agency – Project Director's Association (LLA-PDA).

Mr. Curry began the LLA-PDA presentation by thanking TEROC for the opportunity to share the 2010-2013 local achievements. He also thanked Mr. Heintz for all of his respected work. He noted that the successes have not been achieved alone, the LLAs work with numerous partners and they could not do all they do without the coalitions and CTCP.

The LLA-PDA was established to assist the county tobacco programs in providing efficient, proven practices across the State of California. They provide support (including mentorship) to new program directors, share information, tools, and best practices. They allow CTCP to share information quickly, answer local questions, and brainstorm. They also provide a context for how county and city – led tobacco control programs (LLAs) have been integral to the successes of the California Tobacco Control Program.

Mr. Curry provided the “Grassroots Tobacco Control” report (Volume II – 2010-2013), which showcases success stories from the LLAs.

All 61 LLAs statewide have achievements listed in the report.

A total of 260 achievements are listed impacting large and small cities and counties across the state. These achievements by LLAs in rural, suburban and urban communities help to maintain California's status as one of the most comprehensive grassroots health efforts anywhere.

The report focuses on reducing tobacco smoke in the following areas:

- Multi-unit housing (MUH)
 - Work has been done in localities such as the City of Pasadena, Del Norte County, Daly City, San Francisco, and Santa Cruz
- Smoke-free outdoor areas

- Work has been done in localities such as Nevada County, Santa Clara County, Siskiyou County, Glenn County, and Orange County
- Reducing availability of tobacco through Tobacco Retail Licensing (TRL)
 - City of Carpinteria banned tobacco use citywide
- Groundbreaking community work
 - Partnership
 - Creative Outreach
- Emerging trends in tobacco control
 - The explosion of the e-cigarette

Dr. Green asked how quickly information can be shared from locality to locality. Mr. Curry answered that the monthly teleconference calls are extremely effective in allowing locals to share information. Mr. Heinz can also send out alerts to disseminate information.

Dr. Green asked if what was being shared was evidence-based. Mr. Smith answered that much of the information shared is evaluation-based. There may be some imperfections in areas like e-cigarettes, but locals are learning by trial and error; they are able to learn quickly.

Dr. Brunner noted that locals may need to take on e-cigarettes before evidence has been completely established, particularly to fight potential social-norm change. He applauded the locals for sharing information so effectively and applauded the “tobacco-like-model.”

Ms. Etem and Dr. Baezconde-Garbanati commended the hard work that was conveyed in the report. They were pleased with the Legacy-like feel of the report. She encouraged the LLA-PDA to widely disseminate the report so others may use this as a model.

Ms. Bauman applauded the LLA-PDA for working with the Tobacco Use Prevention and Education (TUPE) County Coordinators.

The Chair thanked Mr. Curry, Ms. Gholamrezaei-Eha, Mr. Heintz, and Mr. Smith for the presentation.

5. CALIFORNIA DEPARTMENT OF EDUCATION REPORT

Tom Herman and John Lagomarsino presented the California Department of Education (CDE) update and activities related to the 2012-2014 Master Plan.

Mr. Herman began the report by highlighting CDE’s meeting with representatives from the University of California Office of the President, Tobacco Related Disease and Research Programs (TRDRP) and the CDPH-CTCP to discuss providing mutual assistance and funding for the

evaluation of the CDE's TUPE program required of CTCP by California Health and Safety Code.

The CDE continues to monitor a contract with the University of California, San Francisco (UCSF) and pay invoiced costs for developing toolkits containing a set of youth development modules applied to school-based tobacco control and education efforts. Mr. Lagomarsino has assumed the duties as the CDE contract monitor for this project.

Mr. Lagomarsino, Coordinated School Health and Safety Office (CSHSO) Consultant and Kimberly Homer Vagadori, Project Director, California Youth Advocacy Network (CYAN) provided a brown bag lunch presentation at the CDE on e-cigarettes and other "vaping" devices. The presentation, attended by approximately 35 employees, focused on product descriptions, known health risks associated with use, and current policies and trends.

The CSHSO continues to monitor the tobacco-free certification of every Local Educational Agency (LEA). County Offices of Education (COE) are working to recertify LEAs whose certification as tobacco-free agencies will expire on June 30, 2014. In addition, they continue to push for the certification of districts and direct-funded charter schools which are not currently certified. Only LEAs certified as tobacco-free by June 30, 2014 will be eligible to apply for 2015 Cohort K TUPE Competitive Grant funds for 2015-18.

County TUPE coordinators continue to report progress by LEAs in taking policy action to prohibit Electronic Nicotine Delivery Systems (ENDS). Calaveras County reports that all districts within that county have revised their board-adopted policies to reflect a prohibition of all e-cigarettes and vaping devices. In Contra Costa County, six LEAs have revised their policies (including the COE). This includes the two largest school districts.

The revised Tobacco-Free School District Certification form includes a line for County Coordinators to indicate whether the LEAs policies include a prohibition against the use of e-cigarettes and vaping products on school property. Though this is not a requirement for tobacco-free certification, it will provide useful data for COEs and the CDE to monitor the number of districts that are voluntarily revising policies.

County Coordinators were requested to provide a list of LEAs within the county that revised their policies. In addition, the CDE requested the COEs submit examples (e.g., stories, evidence, data, and photos), that document the use of ENDS (e-cigarettes, e-hookahs, or any other vaping device) used by students or brought to school. The CDE will share the information with the American Lung Association (ALA) and others as part of local, state, and national advocacy efforts to support adoption of related regulation, policies, and guidance to protect youth.

The Stanislaus COE, a CDE TUPE Grant recipient, shared an article that ran in the May 11, 2014 edition of the Modesto Bee. The article, "E-cigarettes raise concern at Turlock schools", quoted Protecting Health and Slamming Tobacco (PHAST) students from Pitman High school, two of which are a part of the CYAN youth Board. The students used the up-to-date information provided by Kim Homer-Vagadori of the CYAN to give the Modesto Bee reported accurate facts about the devices.

The 2014 Cohort J TUPE Tier 1 Request for Applications (RFA) was released on September 20, 2013. 16 applications, representing 44 local educational agencies, were submitted by January 15, 2014.

The 2014 Cohort J TUPE Tier 2 RFA was released on October 10, 2013. There were 57 applications submitted in response to the RFA requesting a total of \$41,117,669 of TUPE funding. Four of the applications were disqualified from consideration for failing to comply with the application requirements and standards. The remaining 53 applications were competitively scored by 46 grant readers during the week of January 27-30, 2014.

The 2013-14 online TUPE Annual Report is available for TUPE Tier 2 grantees to submit data. Grantees are required to submit the reports by July 31, 2014.

The Cohort K RFA will continue to stress to prospective applicants that the award and receipt of TUPE funds from the CDE will prohibit the LEAs from accepting or purchasing merchandise, materials or services from the tobacco industry or from entities that have received compensation from the tobacco industry.

The CDE's Personnel Services Division conducted an exam for the School Health Education Consultant (SHEC) and School Health Education Assistant (SHEA) positions with the purpose of establishing an eligibility list for hiring. Following the establishment of the list, the CSHSO posted a job announcement bulletin seeking to fill three vacant SHEC positions within the office.

Dr. Brunner led a discussion regarding the current method of funding and how the approach should address health equity. Tobacco disproportionately impacts low income and communities of color. Dr. Brunner noted that the CDE funds tend to go to high-income school districts. For example, the San Ramon Valley Unified School district receives more funding compared to the rest of Contra Costa County and that they are able to obtain these funds because they are an affluent area and can hire expert grant writers. Therefore, he believes a competitive grant process may not be the best way

to distribute funds. It might be more beneficial to distribute funding by targeting areas of high smoking and tobacco use rates. Dr. Brunner suggested utilizing the nutrition model, where school districts can receive funding and technical assistance to improve their grant applications.

Ms. Bauman responded that it may be a blanket statement to suggest that what is going on Contra Costa County is going on statewide. She has witnessed grants being awarded to low-income school districts and thinks that the problem should be evaluated properly before making changes to the process.

Dr. Ong, the Chair, tabled the discussion for the Master Plan meeting the next day.

Ms. McGruder led a discussion regarding working with school districts on obtaining a 500 foot tobacco-free buffer zone around schools. This would be a great opportunity for CDE, CTCP, and TRDRP to work together and support local communities.

The Chair thanked Mr. Herman and Mr. Lagomarsino for the presentation.

6. VOLUNTARY HEALTH AGENCY UPDATE

Jamie Morgan of the American Heart Association (AHA) and Tim Gibbs of the American Cancer Society (ACS) presented on behalf of the voluntary health agencies.

There has been a flurry of activity at the State Capitol over the last few weeks as the deadline approached for bills to be approved by the fiscal committees on May 23, 2014 and by their house of origin on May 30, 2014. Bills that do not meet these deadlines will not move further during this legislative session.

Six bills continue to move forward:

- AB 1500: Electronic Cigarettes
- AB 1785: Master Settlement Technical Fix
- AB 1819: Smokefree Home Daycare
- AB 1839: Film Tax Credit Extension
- AB 2539: Certified Farmers' Markets
- SB 648: Electronic Cigarettes: Restriction of Use and Advertising

One bill will not move forward:

- AB 1504: Cigarettes: Single-Use Filters

TEROC members briefly discussed legislators who accept tobacco funds.

Dr. Ong questioned whether a tobacco tax is on the table. Ms. Morgan indicated that it is a priority and an aggressive campaign will begin in 2015.

The Chair thanked Ms. Morgan and Mr. Gibbs for their update.

7. DEPARTMENT OF FINANCE REPORT

John Bacigalupi presented on behalf of the Department of Finance (DOF)

Mr. Bacigalupi thanked TEROC for the invitation to discuss the Proposition (Prop) 99 Budget (May Revision, Governor's Budget 2014-15).

Mr. Bacigalupi provided an overview of his presentation:

1. Comparison of the 2014-15 May Revision to the Governor's Budget: 2013-14 Estimated Revenues and Program Expenditures
2. Comparison of 2014-15 May Revision to the Governor's Budget: 2014-15 Estimated Revenues and Program Expenditures
3. Notes on the Reduction to Estimated Revenues

Mr. Bacigalupi began by providing an outline of adjustments to 2013-14 revenues and program expenditures.

Revenues and Program Expenditures:

- Estimated revenue reduced by \$8 million:
 - Governor's Budget Estimate: \$264 million
 - May Revision Estimate: \$256 million
- Proposition 10 Backfill Revision reduced by \$1 million:
 - Governor's Budget Estimate: \$11.6 Million
 - May Revision Estimate: \$10.6 Million

There was a reduction of \$19,000 to Major Risk Medical Insurance Program (MRMIP) estimated expenditures from the Physicians' Services Account to eliminate negative reserve due to reduction in estimated revenue.

There were no reductions to estimated expenditure in other programs within other accounts.

Mr. Bacigalupi went on to provide an outline of adjustments to the 2014-15 revenues and program expenditures.

Revenues and Expenditures:

- Estimated revenue reduced by \$9 million:
 - Governor's Budget Estimate: \$256 million
 - May Revision Estimate: \$247 million
- Proposition 10 Backfill Revision reduced by \$1 million:
 - Governor's Budget Estimate: \$11.6 Million
 - May Revision Estimate: \$10.6 Million

Lower beginning fund balances due to the reduction in 2013-14 estimated revenue, combined with the reduction in 2014-15 estimated revenue, results in the need to reduce program expenditures by \$18.8 million across all accounts to eliminate negative reserves.

Reductions by Account:

- Health Education Account (HEA) Fund 0231: \$4.9 million
- Hospital Services Account (HSA) Fund 0232: \$6.0 million
- Physicians' Services Account (PSA) Fund 0233: \$1.7 million
- Research Account (RA) Fund 0234: \$1.2 million
- Public Resources Account (PRA) Fund 0235: \$0.8 million
- Unallocated Account (UA) Fund 0236: \$4.1 million

Total reduction of \$4.1 million to CDPH estimated expenditures relating to tobacco use prevention:

- Health Education Account decreased by \$3,569,000
- Research Account decreased by \$360,000
- Unallocated Account decreased by \$157,000

Mr. Bacigalupi also noted other large reductions in estimated revenues and expenditures at 2014-2015 May Revision compared to Governor's Budget:

- 2013-14: Estimated revenues decreased by \$18 million in current year and \$24 million in budget year
 - Entire programs eliminated (California Healthcare for Indigents, Expanded Access to Primary Care) to reduce expenditures by \$38 million in budget year
 - Health Education Account reduced by \$6.8 million in budget year
 - \$4.5 million decrease for Tobacco Cessation Media Campaign
 - \$2.3 million decrease for Competitive Grants

TEROC expressed concerns about the May Revision reductions and requested the DOF change the methodology utilized to make funding reductions and the process for how the reductions are applied. TEROC was disturbed that reductions were being applied inequitably across the six Proposition 99 Cigarette and Tobacco Products Surtax Fund (CTPSF) accounts. In particular, the disproportionate and unfair reductions placed on the HEA Fund 0231 and the RA Fund 0234. Programs funded from these accounts are being reduced by approximately eight percent. However, with the exception of the MRMIP, most programs funded from the HSA Fund 0232, PSA Fund 0233, and the UA Fund 0236 (which funds the California Department of Health Care Services (DHCS) Breast Cancer Early Detection Program (BCEDP), Medi-Cal hospital services, and DHCS State Administration) are not being reduced at all. This is in part due to funding shifts away from the MRMIP. However, TEROC views the most appropriate

use of the UA fund 0236 is to help support all programs funded from Prop 99, particularly when unanticipated revenue projection shortfalls occur.

TEROC previously voiced concerns to the DOF regarding the use of Prop 99's UA Fund 0236. They expressed ongoing concern regarding the CTPSF in the 2014-15 Governors' Proposed Budget. TEROC was alarmed at the increases in funding from the previous fiscal year to the HSA Fund 0232; the PSA Fund 0233; and UA Fund 0236 (which funds the DHCS BCEDP, Medi-Cal hospital services, and DHCS State Administration). TEROC has particularly had ongoing concerns regarding increased funding to the BCEDP from the UA Fund 0236. While BCEDP and the health care programs specified above are important and provide valuable services, these funding increases come at the expense of prevention programs that have repeatedly demonstrated their effectiveness and a high return on investment.

Ms. Roeseler questioned the rationale in which the reserve is distributed. The HEA Fund 0231 Five Percent Reserve is maintaining a higher balance than other reserve accounts.

Discussion continued regarding how the HEA Five Percent Reserve is unnecessary, as the activities funded by the HEA are not service or caseload driven. Furthermore, the PSA Fund 0233 has not been held to the requirement of a Five Percent Reserve in the 2013-2014 or 2014-2015 budget. An alternative would be to defray reductions in the HEA Fund 0231 or RA Fund 0234 by using monies from the UA Fund 0236 to provide funding for the HEA- and RA-funded programs when revenue projection shortfalls occur. Equitable funding reductions should be applied to all programs currently funded from the UA Fund 0236 which should include the DHCS/BCEDP, DHCS Hospital Services, and DHCS State Administration line items.

Dr. Brunner noted that the impact of healthcare reform must also be considered. Programs should be reevaluated for their effectiveness. Funding for programs such as the DHCS/BCEDP was partly channeled to build support for universal healthcare. Although it has been a beneficial program, now that there is a comprehensive national program some of these screening and caseload-driven service programs have outlived their usefulness. In the era of healthcare reform, prevention and research programs are becoming more important than screening and caseload-driven service programs in order to increase overall health and reduce healthcare costs to the State.

In the current declining-revenue environment, TEROC noted that reductions are a reality. Nevertheless, the egregious and counterintuitive practice of depleting prevention programs must not continue. Prevention programs, such as those funded by HEA Fund 0231, clearly create health care cost savings for the State and for those programs funded by HSA Fund 0232, PSA Fund

0233, and currently by UA Fund 0236. All Prop 99 funded programs were asked to shoulder the burden when the General State Fund faced deficits in prior years. Asking some Prop 99 funded programs to shoulder the burden of declining Prop 99 revenues, but not others is inequitable.

Mr. Bacigalupi thanked TEROc for the invitation to discuss the Proposition (Prop) 99 Budget Update, Governor's budget 2014-15.

Action Items

Ms. Etem moved TEROc write a letter advising the California Department of Finance (DOF), California State Assembly Committee on Budget, Subcommittee 1 Health and Human Services, California State Senate Budget and Fiscal Review Committee - Subcommittee 3 on Health and Human Services, and Governor Edmund G. Brown Jr. to reevaluate the reductions in the May Revision and proportionately and equitably apply funding reductions to programs funded from each of the six CTPSF accounts. The letter should urge immediate action to appropriate the HEA reserve to CDPH/CTCP and develop other approaches to mitigate reductions to all the programs funded by the CTPSF. The motion was seconded by Dr. Zhu; motion carried unanimously.

8. UNIVERSITY OF CALIFORNIA OFFICE OF THE PRESIDENT TOBACCO RELATED-DISEASE RESEARCH PROGRAM REPORT

Bart Aoki, Phil Gardiner and Norval Hickman presented on behalf of TRDRP.

Dr. Aoki began the presentation by discussing the Cycle 23 Call for Applications. Particularly, TRDRP noted the significant increase in e-cigarette or ENDS grant proposals during 2014. In addition to the 34 career development award applications (post-doctoral and dissertation fellowships) that were submitted previously, 103 applications were submitted by the April 21, 2014 due date for these awards. The applications were in the areas of exploratory/developmental, research project, Community Academic Research Awards (CARA), and School Academic Research Awards (SARA). In addition, six Cornelius Hopper Diversity Awards Supplement proposals were received.

CDE, CTCP, and TRDRP are in the midst of discussions to conduct a rigorous scientific evaluation of TUPE. The purpose was to generate evaluation findings that result in actionable recommendations to improve youth prevention and school-based education of tobacco and e-cigarette products. Exploration around key research requirements, joint funding, and timeframes are still in the early stages. The current proposal includes a four-year evaluation that could start as early as winter of 2016 and would be funded jointly by the three organizations. Such an effort would be in addition to the surveillance of youth smoking prevalence that the CTCP sponsors and

would be aimed at generating findings that could inform program design and implementations to strengthen the TUPE program's overall impact.

The TRDRP is exploring collaborating with the University of California (UC) Historically Black Colleges and Universities (HBCU) Initiative in order to increase the number of under-represented minorities, particularly African Americans who are enrolled in graduate work in tobacco-related research areas. The program involves UC faculty research partnerships with HBCU faculty members engaged in tobacco-related research to create a pathway to graduate studies in California. If initiated, the UC-HBCU Initiative Call for Applications with funding specifically allocated to support faculty with a history of tobacco-related research would be issued in Fall, 2014 with projects starting in Summer, 2015.

TRDRP is in the very early stages of exploring the possibility of piloting a Tobacco Policy Scholars Program aimed at strengthening the ability of tobacco scientists from a broad range of disciplines to exert leadership in the development of public health-oriented tobacco and nicotine policy at all levels of government. The grants might support:

- Structured training at University-based Public/Global Health and Tobacco Policy Centers
- Mentored placements in governmental and non-governmental policy-making organizations
- Mass and social media training and placements
- Leadership workshops and scholar network meetings

The Scientific Advisory Committee (SAC) is continuing a planning process with the intent of updating/revising TRDRP's research priorities and program strategies for the 2015 Call for Applications. This planning process will coincide with and extend beyond the TERO process for developing the new Master Plan.

As part of a review of all research-related programs administered by UCOP, TRDRP was reviewed by a Portfolio Review Group (PRG) that evaluated its contributions to UC and the State as a whole. The program was reviewed favorably with the following resulting primary recommendation: "The program should take full advantage of the program's inherent flexibility to make high-risk investments to complement the funding patterns from other funding agencies with less flexibility." – UC Portfolio Review Group; February, 2014.

TRDRP staff continues to be involved in the development and testing of an application and grants database/management system that will enable the Research Grants Program Office (RGPO) to transition to a single new system. The system is projected to be deployed October 1, 2014. It would enable the grants awarded as part of TRDRP's next funding cycle to be

managed using the new system. As part of an RGPO-wide re-design of program websites that are slated to go online in July 2014, TRDRP staff have also been revising and developing content and working with the designer on the “look and feel” of the new program website.

Dr. Aoki discussed TRDRP Personnel Transitions:

- Retirements effective July 1, 2014
 - Phillip Gardiner – Program Officer
 - MF Bowen – Program Officer
 - Jewel Charles – Project Policy Analyst
- New hires effective June 1, 2014
 - Anwer Mujeeb – Program Officer
 - Tracy Mcknight – Program Officer
- Current recruitments
 - Project Policy Analyst

The Chair and Ms. Bauman praised TRDRP for the great work they’ve been doing and thanked Dr. Aoki, Dr. Hickman, and Dr. Gardiner for the presentation.

9. CALIFORNIA DEPARTMENT OF PUBLIC HEALTH, CALIFORNIA TOBACCO CONTROL PROGRAM REPORT

April Roeseler presented the CTCP update.

Ms. Roeseler began the CDPH/CTCP presentation by highlighting that the review of all 61 LLA three-year plans was completed on January 15-16, 2014. The review resulted in 66 percent of LLAs receiving a passing score (this is an improvement over 2010-13, at 38 percent passing and 2007-2010 at 26 percent passing).

On April 28, 2014, CTCP issued an intent to award three grants for the Request for Applications (RFA) 14-10013, Make Tobacco History. The three grantees of this RFA are: (1) American Lung Association in California (ALAC), Center for Tobacco Policy and Organizing; (2) ChangeLab Solutions; and (3) Public Health Foundation Enterprises, Inc., California Youth Advocacy Network (CYAN). These three projects will receive grant awards totaling \$6,000,000 for the sixty month project term, beginning July 1, 2014 and ending June 30, 2019, pending review and approval by the Contracts Management Unit (CMU) and the Office of Legal Services (OLS).

Behavioral Risk Factor Surveillance System (BRFSS) data indicate that overall adult smoking prevalence was 11.7 percent, a decrease from 12.7 percent in 2012. The decrease is due to women’s smoking prevalence significantly dropping from 10.0 percent in 2012 to 8.5 percent in 2013. African American males still have the highest smoking prevalence among racial groups at 22.4 percent although Latino males have a high rate as well.

E-cigarette prevalence equaled 3.5 percent in 2013. This was significantly higher than the rate in 2012, which equaled 1.8 percent. Also, the overall use of tobacco products (cigarettes, cigar, and smokeless products) equaled 14.3 percent, which decreased from 15.0 percent in 2012.

CTCP completed its Request for Proposal (RFP) to procure an advertising agency for California's statewide anti-tobacco media campaign. The contract was awarded to Duncan/Channon, a full-service advertising agency headquartered in San Francisco.

In June, 2014, CTCP will host three Regional Health Equity Roundtables across California. The intent of the Roundtables is to bring together stakeholders, thought leaders and experts in the fields of health equity, tobacco control, public health, and chronic disease to provide input, guidance and direction on tangible, innovative, and promising practices to implement the Advancing Health Equity in Tobacco Control plan strategies in California. Participants will help identify tobacco use, interventions, and evaluation metrics for the development and implementation of a Tobacco Control Health Equity Report Card that will ensure accountability and transparency.

The ALAC, Center for Tobacco Policy and Organizing, a CTCP funded project, coordinated Capitol Information & Education (I&E) Days on April 28-29, 2014. Representatives from Prop 99-funded programs (LLAs, statewide projects, competitive grantees, and local tobacco control coalitions) were invited to participate in the event.

On March 24, 2014, CYAN, a statewide project funded by CTCP, hosted their 15th annual "Youth Quest." About 600 people from local health departments, health-related agencies, and school groups participated in this event.

CTCP's new *Cranky Smoker* cessation TV advertisement won a 2014 Telly Award.

On March 5, 2014, 13 regional news conferences were held throughout the state by the 61 local health departments and other partners to release city and county data from the Healthy Stores for a Healthy Community (HSHC) survey as well as educate the public about how our kids are being impacted by in-store marketing and availability of tobacco, alcohol and food products. Media coverage on the campaign launch was tremendous, with more than 260 media stories in multiple languages across various media outlets.

Ms. Roeseler commended the great work of local health officers, such as Dr. Brunner, as well as agencies such as the American Lung Association of California (ALAC) for stepping-up to provide support in several localities.

CTCP received a letter from Dr. Tim McAfee, Director of the Office on Smoking and Health, at the Centers for Disease Control and Prevention (CDC) in which he congratulates the program on the HSHC.

Ms. Roeseler provided a status update on six contracts that had been of concern to TEROC:

- Information Clearinghouse/Fulfillment Services – fully executed
- Library/Policy database interagency agreement with the University of California, Davis (UC Davis) – currently with UC Davis for signature
- Recruitment of youth decoys – working on a two year amendment to current contract
- Annual Youth Tobacco Purchase Survey – CTCP is exploring other options including collaborating with Food and Drug Branch (FDB)
- California Student Tobacco Survey – currently working with CDE and TRDRP to enter into an agreement with the University of California, San Diego; prevalence data will not be obtained until 2016
- The Make Tobacco History RFA – grants are in process

Ms. Roeseler directed discussion regarding CTCP budget reductions. The reductions were equitably applied across media, competitive grants, and LLAs with approximately \$1 million dollars reduced in each of the three areas.

Dr. Green praised Ms. Roeseler's remarkable resilience in all of the issues facing CTCP. He also speculated that the reduction in smoking prevalence could be linked to the increase in e-cigarette consumption. Ms. Roeseler and Dr. Isler agreed that it could affect usage as far as consumption goes; however, it may not affect prevalence in conjunction with cessation.

Ms. Bauman led discussion regarding the structure of CTCP funding. Ms. Roeseler explained to her that unspent funds revert back to the HEA Fund 0231. Ms. Bauman questioned whether local health departments and grantees have an opportunity to make changes to their budgets. Ms. Roeseler explained that the local health departments and grantees each have an opportunity once per year to request adjustments to their budgets.

Dr. Ling led discussion regarding Dr. Chapman's new impactful educational campaign regarding e-cigarettes. She inquired where the campaign would fit when so many cuts are being made to CTCP media. Ms. Roeseler explained that Dr. Chapman is excited about the e-cigarette campaign. Testing and focus groups are currently being conducted and plans are being made to take action sometime during the summer of 2014.

TEROC continued to discuss potential funding to support e-cigarette efforts. Dr. Ong noted that discussion is the first step to finding a solution to the funding issues and TEROC would continue to discuss at future meetings.

Ms. Etem and Dr. Green praised CTCP for the great work while also dealing with budget cuts.

The Chair thanked Ms. Roeseler for her presentation.

10. TEROC SUBCOMMITTEE REPORT REGARDING CTCP CONTRACTS AND GOVERNMENT CODE SECTION 19130

TEROC will continue to monitor contract progress and feels comfortable with CTCP's ability to successfully navigate the contracting process and address issues that come along.

11. WIN-RIVER RESORT AND CASINO ADOPTS SMOKE-FREE POLICY

Narinder Dhaliwal presented on behalf of the California's Clear Air Project (CCAP).

Ms. Dhaliwal has worked with Win-River Resort and Casino for nearly seven years to get to the point of developing a 100 percent smoke-free policy. Win-River Resort and Casino no longer has an e-cigarette vendor and the smoke-free policy now includes e-cigarettes as well.

Although not present at the TEROC meeting, Gary Hayward, the Casino General Manager, and the Redding Rancheria Tribal Government made this voluntary choice by unanimous vote because their extensive research at the casino showed that the vast majority of guests want smoke-free gaming and that the move will not only protect the health of employees and guests, but also reduce business costs. All aspects of health consequences, economic costs, and hospitality surveys for guests and employees were assessed and evaluated. The results surprised Mr. Hayward when he found that even during the busiest times at the casino smoking customers amounted to less than 13 percent. In the past year, counts of smoking customers showed the 13 percent had decreased to 10 percent.

Action Item

Ms. Etem moved TEROC present a certificate and write a letter of recognition to Win-River Casino for the successful implementation of the 100 percent smoke-free policy. The motion was seconded by Dr. Baezconde-Garbanati; motion passed unanimously.

12. PUBLIC COMMENT

Dr. David Barker, the Director of the Institute for Social Research at California State University, Sacramento (CSUS) raised a public comment. The University has entered into collaboration with the State of California to collect information for the California Adult Tobacco Survey (CATS). Mr. Barker is aware that The University of California, Los Angeles (UCLA) partakes in the California Health Interview Survey (CHIS) and that a significant amount of the

UA Fund 0236 is allotted for this service. Dr. Barker questioned how CSUS might learn about the process and perhaps procure funding for the CATS.

Dr. Ong noted that the CHIS receives funding from Prop 99 through a negotiation with the prior Director, Rick Brown. The discussion regarding the funding for this survey is something that TEROC has issues with and the matter is not yet resolved. Discussions regarding this issue have been tabled and TEROC will continue with the matter at a later date.

Dr. Ong suggested Dr. Barker continue having discussions with CDPH/CTCP regarding this process and thanked him for his questions.

The Chair moved to adjourn the meeting. The motion passed unanimously.

The meeting was adjourned at 4:15 PM.

The Master Plan meeting will take place in the same location on Thursday, May 29, 2014.